

**BOARD OF COUNTY COMMISSIONERS
AGENDA ITEM SUMMARY**

Meeting Date: January 21, 2004

Division: Monroe County Housing Authority

Bulk Item: Yes X No

Department: Special Programs Office

AGENDA ITEM WORDING: A RESOLUTION OF THE BOARD OF COUNTY COMMISSIONERS OF MONROE COUNTY, FLORIDA AUTHORIZING MONROE COUNTY'S STATE HOUSING INITIATIVE PARTNERSHIP (SHIP) PROGRAM ADMINISTRATOR TO EXECUTE SHIP MORTGAGE SUBORDINATION ON BEHALF OF BUYERS KAPLAN/FREEMAN.

ITEM BACKGROUND: Monroe County SHIP Program issued a mortgage loan to the Bahama Conch Community Land Trust, Inc. (BCCLT) for the construction of an affordable homeownership property in Key West. BCCLT is in the process of selling the unit to buyers. The BOCC has previously approved the assignment of said mortgage and all parties are now requesting a mortgage subordination in order for the buyer to secure primary financing. At the time of funding it had been anticipated that the SHIP loan would be subordinated to buyers primary financing.

PREVIOUS RELEVANT BOCC ACTION:

Feb. 2002

BOCC authorized to the SHIP Administrators execution of subordination of SHIP mortgages under certain conditions (specific conditions which were favorable to the borrowers without jeopardizing Monroe County's interest)

Aug. 2003

BOCC approved the assignment and assumption of SHIP mortgage loan from Bahama Conch Community land Trust, Inc. to buyers Kaplan/Freeman.

CONTRACT/AGREEMENT CHANGES:

N/A

STAFF RECOMMENDATION:

Approval.

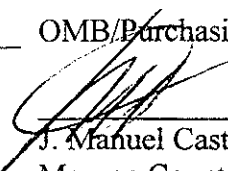
TOTAL COST: \$-0- BUDGETED: Yes n/a No n/a

COST TO COUNTY: \$-0- SOURCE OF FUNDS: n/a

REVENUE PRODUCING: Yes No X AMOUNT PER: Month n/a Year n/a

APPROVED BY: County Attny. OMB/Purchasing Risk Management

DIVISION DIRECTOR APPROVAL:


J. Manuel Castillo, Sr., Executive Director
Monroe County Housing Authority

DOCUMENTATION: Included X To Follow Not Required

DISPOSITION:

AGENDA ITEM # L2

RESOLUTION _____ - 2004

A RESOLUTION OF THE BOARD OF COUNTY COMMISSIONERS OF MONROE COUNTY, FLORIDA AUTHORIZING MONROE COUNTY'S STATE HOUSING INITIATIVE PARTNERSHIP (SHIP) PROGRAM ADMINISTRATOR TO EXECUTE SHIP MORTGAGE SUBORDINATIONS

WHEREAS, Monroe County provided Bahama Conch Community land Trust, Inc. a mortgage loan under the Monroe County State Housing Initiatives Partnership (SHIP) Programs. Homeownership Development strategy for the construction of a single family affordable homeownership unit. and;

WHEREAS, the Monroe County Board of County Commissioners has previously approved the assumption and assignment of said mortgages from Bahama Conch Community land Trust, Inc. to the eligible homebuyers Kaplan/Freeman, and;

WHEREAS, buyers Kaplan/Freeman have secured a primary loan commitment from Key West Bank conditioned upon securing a subordination of the existing mortgage with Monroe County to the proposed mortgage from Key West Bank, and;

WHEREAS, it is customary and had been intended that the Monroe County SHIP mortgages be second and/or junior to the mortgage of the primary lender, and;

NOW, THEREFORE, BE IT RESOLVED, by the Board of County Commissioners of Monroe County, Florida, that the County hereby:

Authorizes Monroe County's State Housing Initiatives Partnership (SHIP) Program Administrator to execute SHIP mortgage subordination in favor of proposed primary financing from Key West Bank on behalf of buyers Kaplan/Freeman for the existing SHIP mortgage to Bahama Conch Community Land Trust, Inc. for the property known as 1031 Howe Street, Key West, as attached hereto.

PASSED AND ADOPTED, by the Board of County Commissioners of Monroe County, Florida at a regular meeting on said Board on the _____ day of _____, A.D., 2004

BOARD OF COUNTY COMMISSIONERS
OF MONROE COUNTY, FLORIDA

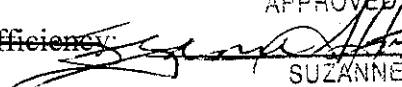
Mayor Nelson _____
Commissioner Rice _____
Commissioner Neugent _____
Commissioner McCoy _____
Commissioner Spehar _____

By: _____
Mayor Nelson

SEAL
ATTEST:

Approved as to form and legal sufficiency:

MONROE COUNTY ATTORNEY
APPROVED AS TO FORM:

 Date: 12/31/03
SUZANNE A. HUTTON
ASSISTANT COUNTY ATTORNEY
Date _____

AGREEMENT TO SUBORDINATE LOAN

THIS AGREEMENT made this _____ day of _____, 2004 between **MONROE COUNTY**, herein referred to as "Lienholder," having its principal office at Monroe County Courthouse, 500 Whitehead Street, Key West, FL 33040, and **KEY WEST BANK**, herein referred to as "Lender", a Corporation organized under the laws of the State of Florida.

THE PARTIES STIPULATE AND RECITE THAT:

A. By reason of that Mortgage given by Lienholder to BAHAMA CONCH COMMUNITY LAND TRUST, INC, a non-profit Corporation, and Assigned and Assumed by Donna A. Kaplan and James Freeman, herein referred to as the "Owner", after in the amount of THIRTY SIX THOUSAND DOLLARS (\$36,000.00), dated the 13th day of August, 2001 and recorded the 31st day of December 2002 in Official Records Book 1841, Page 551 upon the property hereinafter described,

On the Island of Key West and known as part of Lot 8 in Sq. 6 of Tract 10 according to C.W. Tift's map of the City of Key West, Florida delineated in 1874. Commence at the Intersection of the Northeasterly Right of Way Line of Howe Street and the Northwesterly Right of Way Line of Virginia Street; thence in a Northwesterly direction along the said Northeasterly right of Way Line of Howe Street for 51.92 feet to the Point of Beginning; thence continue in a Northwesterly direction along the said Northeasterly Right of Way Line of Howe Street for 35.00 feet; thence at a right angle and in a Northeasterly direction for 59.50 feet; thence at a right angle and in a Southeasterly direction for 35.00 feet; thence at a right angle and in a Southwesterly direction for 59.50 feet to the said Northeasterly Right of Way line of Howe Street and the Point of Beginning. Containing 2082.50 Square Feet, more or less.

which has the street address of 1031 Howe Street, Key West, Florida 33040

B. Owner desires to negotiate a loan from Lender, and Lienholder acknowledges that such loan is in his best interest.

C. Lender is willing to loan money to Owner if Lienholder will subordinate his present lien against the above-described property of Owner.

FOR THE REASONS SET FORTH ABOVE AND IN CONSIDERATION OF THE MUTUAL COVENANTS AND PROMISES OF THE PARTIES HERETO, LIENHOLDER AND LENDER AGREE AS FOLLOWS:

The lien of Lienholder against the above-described property of Owner shall be subordinate to the claim of Lender under the Mortgage Deed (security agreement) executed by Owner, dated the ____ day of _____ 200__ and recorded on the _____ of _____ 200__ in O.R. Book _____, Page _____, of the Public Records of Monroe County, Florida. Future loans made by Lender to Owner shall not be subordinate to the claims of Lienholder.

Lienholder shall assign to Lender all sums presently due to Lienholder from Owner until the above-described loan of Lender is paid in full. Lienholder shall execute such additional assignments as Lender may require to give effect to this agreement.

IN WITNESS WHEREOF, the parties have executed this agreement at Monroe County, State of Florida, the day and year first above written.

WITNESSES

MONROE COUNTY

Witness Signature
Printed Name:

By: _____
Mark A. Bell, SHIP Administrator

Witness Signature
Printed Name:

STATE OF FLORIDA COUNTY OF MONROE

I HEREBY CERTIFY that on this _____ day of _____, 20____ before me, an officer duly qualified to take acknowledgments, personally appeared _____, to me known to be the person/s described in and who executed the foregoing instrument and acknowledged before me that he/they executed the same.

SEAL

NOTARY PUBLIC SIGNATURE

Printed Name of Notary

Commission No.: _____

My Commission Expires: _____

Witness Signature
Printed Name:

By: _____
Title:

KEY WEST BANK

Witness Signature
Printed Name:

STATE OF FLORIDA COUNTY OF MONROE

I HEREBY CERTIFY that on this _____ day of _____ 20____ before me, an officer duly qualified to take acknowledgments, personally appeared _____, to me known to be the person/s described in and who executed the foregoing instrument and acknowledged before me that he/they executed the same. Drivers License shown as identification.

SEAL

NOTARY PUBLIC SIGNATURE

Printed Name of Notary

Commission No.: _____

My Commission Expires: _____